TEXAS COMPANY DENIES RECRUITING FOR CIASAN ANTONIO TX

Rep. Henry B. Gonzalez, D-Texas, accused a military contractor in Texas of recruiting Spanish-speaking military veterans for CIA activities in Central America, but the firm denied the allegation.

''We're not recruiting for the CIA. We're not recruiting for anybody,'' said Alvin Ornstein, deputy chancellor for the American Educational Complex, an education service based in Killeen, Texas, under contract to the Defense

Orstein said the veteran congressman from San Antonio ''was misinformed.''

Gonzalez alleged CIA involvement at a news conference in Washington

Gonzalez also broadened his criticism of what he claimed was clandestine CIA involvement with operations at Kelly Air Force Base in San Antonio.

Gonzalez had charged Monday in Washington that a civilian cargo plane that crashed at the San Antonio air base Saturday was on a covert mission to supply explosives to rebels in Nicaragua -- an allegation called ''totally false'' by the company that operated the plane.

Gonzalez Tuesday sent a letter to Defense Secretary Caspar Weinberger asking for additional information about the mission of the cargo plane that crashed Saturday, and whether it was ever owned by the Defense Department.

In the case of the Killeen-based company, Ornstein said Tuesday his company had placed an advertisement with the Texas Employment Commission because the company anticipated a Pentagon need for Spanish-speakers to serve as instructors in Central America.

The advertisement, offering \$25,000 a year tax-free plus expenses, appeared in employment commission offices statewide.

Ornstein said the advertisement simply was a market survey to determine the availability of Spanish-speaking men with military experience who would be willing to work as instructors in Central America. They would be on 'unaccompanied tours,' Ornstein said.

''You can understand our anticipation of a potential market. We went to the TEC because they have a better network for getting the word out,'' Ornstein

The program was being coordinated by civilian instructors at the Army's III Corps Training School at Fort Hood, located near Killeen.

The instructurs are from Central Texas College, one of several American institutions that are members of an educational consortium called the American Educational Complex. The American Education Complex is under Defense Department contract to provide a variety of educational services to the military through its member colleges.

Gonzalez, without mentioning the organization, said the CIA was using the employment commission to recruit mercenaries to go to Central America.

Ornstein said the market test began in the summer, but employment commission officials in San Antonio said they only received a request for recruitment assistance Sept. 22.

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2

Commission officials said they received a memo Monday to end the program.

Ornstein said officials with the educational complex obtained about 300 names and resumes.

Gonzalez also reiterated his charges Tuesday that the cargo plane that crashed at Kelly Air Force Base, killing all three civilian crew members on board, was connected to the CIA.

''The plane had undoubtedly had materials being gathered for eventual use in Central America,'' Gonzalez said.

CIA officials Monday had refused to discuss the allegation.

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''Our policy is that we don't confirm or deny allegations of intelligence activities,'' Sharon Foster, a spokesman for the CIA in McLean, Va., said Monday.

Foster said Gonazalez was accusing the agency of ''violating the law, and we don't violate the law. There is a congressional restriction against the agency supporting the (rebels) and we don't violate the law.''

The plane that crashed, a civilian version of the military's C-130 Hercules, was leased an operated by Southern Air Transports, a Miami-based airlines.

A spokesman for Southern Air Transport, Bill Kress, said he was ''a little flabbergasted'' by the allegation. ''That's totally false,'' Kress said.

Kelly Air Force Base routinely contracts with Southern Air Transport for movement of cargo from one base to another.

The Air Force has said the plane was en route to Robins Air Force Base in Georgia.

Air Force officials had said the plane contained small explosive devices used in pilot ejection seats and an unknown amount of 'classified equipment.''

Kelly spokesman Frank Weatherly said Tuesday the classified material consisted of 'small pieces of electronic gear.'

The cause of the crash is unknown, and an investigation by the National Transportation Safety Board is under way.